

Service Date: June 8, 1977

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER OF the Application)	UTILITY DIVISION
by THE BUTTE WATER COMPANY for)	
authority to increase rates and charges for)	DOCKET NO. 6494
water service to its customers in the BUTTE,)	ORDER NO. 4348
MONTANA, service area and requesting)	
ratification of the distribution)	
of water service at no charge to certain)	
customers.)	
)	

FINDINGS OF FACT

1. The Butte Water Company, Applicant, is a public utility furnishing water service to consumers in the State of Montana.

2. Applicant is subject to the regulatory jurisdiction of this Commission.

3. On the 18th day of February, 1977, Applicant filed its application in this Docket requesting authority from this Commission to increase its rates and charges for water service in the Butte, Montana, service area to produce an additional annual revenue in the sum and amount of \$702,971.

4. Pursuant to Notice of Public Hearing published on April 29, 1977, a public hearing was conducted in the Webster-Garfield School Auditorium, Butte, Montana, on May 23 and 24, 1977, at which time the Applicant's witnesses appeared and were cross-examined on their testimony and exhibits; and, the Consumer Defender of the office of the Montana Consumer Counsel participated and presented testimony and exhibits concerning the matters and things covered by said application.

5. Witness Dr. John W. Wilson, who testified for the Consumer Counsel, determined a revenue deficiency of \$377,032.

6. This \$377,032 figure included a \$51,550 expense adjustment which Applicant's witness C. M. Dunfee conceded at the Anaconda hearing was non-concurring.

7. Subtraction of the \$51,550 expense adjustment from Wilson's conceded

revenue deficiency of \$377,032 results in a revenue deficiency of \$25,482.

8. By letter dated June 3, 1977, Geoffrey L. Brazier, Consumer Defender of the Montana Consumer Counsel, reaffirmed that he had no objection to a temporary rate increase in this Docket to the conceded revenue level.

CONCLUSIONS OF LAW

1. This Commission has jurisdiction under Revised Codes of Montana 1947, Section 70-113, to grant a temporary rate increase.

2. The rate of return resulting from a \$325,482 revenue increase will not exceed a fair return on Applicant's properties devoted to service of its Butte customers.

ORDER

1. Applicant is ordered to submit for Commission approval rate schedules effective for the first full billing period after June 20, 1977, which will generate an additional \$325,482.

2. The increase granted herein is subject to rebate should the final Order in this Docket determine that a lesser increase than authorized by this Order is required.

3. In the event a rebate is directed by the final Order in this Docket, provision shall be made in that Order to cause all uncollected rebates to be escheated to the State of Montana in the manner provided by law.

DONE IN OPEN SESSION this 7th day of June, 1977, by a vote of 4-0

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

GORDON E. BOLLINGER, Chairman

P.J. GILFEATHER, Commissioner

JAMES R. SHEA, Commissioner

GEORGE TURMAN, Commissioner

ATTEST:

Gail E. Behan
Secretary

(SEAL)

NOTICE. You are entitled to judicial review of this Order.
 Judicial review may be obtained by filing within thirty (30) days from
 the service of this Order a petition for review pursuant to Section 82-
 4216, RCM 1947.